

**IN THE UNITED STATES BANKRUPTCY COURT  
FOR THE SOUTHERN DISTRICT OF TEXAS  
HOUSTON DIVISION**

IN RE:	§	Case No. 22-60043
	§	
FREE SPEECH SYSTEMS, LLC,	§	Chapter 11 (Subchapter V)
	§	
Debtor.	§	

**EXHIBIT L**

UNITED STATES BANKRUPTCY COURT  
SOUTHERN DISTRICT OF TEXAS  
HOUSTON DIVISION

) CASE NO: 22-60043-cml  
)  
FREE SPEECH SYSTEMS, LLC, ) Houston, Texas  
)  
Debtor. ) Friday, August 12, 2022  
)  
) 1:01 P.M. to 5:09 P.M.  
)  
-----)

MOTION HEARING

BEFORE THE HONORABLE CHRISTOPHER M. LOPEZ  
UNITED STATES BANKRUPTCY JUDGE

APPEARANCES:

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Proceedings recorded by electronic sound recording;  
Transcript produced by transcription service.

1 THE WITNESS: Well, I really have a question now  
2 based on his answer. So when you say on the scene --

3 THE COURT: Well, you don't get to ask questions.

4 THE WITNESS: I don't know what he means.

5 THE COURT: Then just you don't know what he  
6 means. I just want to make sure -- you don't get to ask  
7 questions. He gets to ask them, and you get to answer them.  
8 And if you don't know the answer, then just say you can't  
9 answer the question.

10 THE WITNESS: Okay. I can't answer the question.

11 THE COURT: Mr. Brimmage, why don't you ask  
12 another question.

13 BY MR. BRIMMAGE:

14 Q Mr. Schwartz -- Mr. Schwartz, when did Blue Ascension  
15 start providing fulfillment services for FSS?

16 A I don't have an exact date. It was -- it was I believe  
17 close to the day -- I take that back. It was shortly prior  
18 to my meeting with Blue Ascension. So I asked to go over  
19 the calculus of what happened.

20 Q All right. When was your meeting with Blue Ascension?

21 A I believe July 18th.

22 Q All right. That's the date of the price sheet that we  
23 looked at, right?

24 A Correct.

25 Q Okay. Let's go backwards a little bit. I'm just

1     trying to make sure that we and the Court are crystal clear  
2     about what happened here. Blue Ascension started providing  
3     fulfillment services shortly before your meeting on July  
4     18th, correct?

5     A     That appears to be the date, yes.

6     Q     And shortly before -- well, so they were already  
7     providing fulfillment services for FSS when you had your  
8     meeting; is that right?

9     A     Yes.

10    Q     In fact you said you were caught flatfooted, right?

11    A     I believe that's what I said.

12    Q     You did. And so I'm just trying to make sure I'm  
13    clear. When were the FSS employees terminated and rehired  
14    by Blue Ascension, if you know?

15    A     The payroll we were working on, on July 18th, they had  
16    been -- they had already been moved from the payroll at that  
17    time. So they were paid --

18    Q     Okay.

19    A     They were not paid on that payroll by FSS.

20    Q     So when were they terminated from FSS?

21    A     Like I said, all I know is they left the payroll. They  
22    had already been moved off the FSS payroll when we were  
23    preparing to pay that payroll. So (indiscernible) it would  
24    have been effective the beginning of that payroll.

25    Q     All right. Were they fired?

1 A Yeah. They would have been just, you know, terminated  
2 and rehired, I believe, by Blue Ascension.

3 Q Okay. Is it fair to say that the name of their  
4 employer just changed?

5 A Well, their employer changed. They no longer were on  
6 the ADP payroll that we operate. They're not an  
7 intercompany charge or anything like that.

8 Q But they're doing the same thing they were doing  
9 before, right?

10 A Well, the job (indiscernible) is essentially the same.  
11 I don't know if they're doing it the same way. I mean,  
12 Patrick Riley, they have their own processes and procedures.

13 Q Do you have personal knowledge of the different  
14 processes and procedures that they brought in?

15 A No. That's why I said I don't know if they're doing  
16 the same thing.

17 Q Okay. They're providing the same service to FSS that  
18 they were providing to FSS before the name of their employer  
19 changed, right?

20 MR. BATTAGLIA: Your Honor, I'm going to object.  
21 I'm going to object. That question's been asked and  
22 answered.

23 THE COURT: I'll sustain.

24 MR. BRIMMAGE: Okay. Fair enough.

25 BY MR. BRIMMAGE:

1 Q You weren't involved in terminating the employees,  
2 right?

3 A I'm sorry. I didn't hear the earlier part. Weren't  
4 involved?

5 Q You weren't involved in terminating the employees,  
6 correct?

7 A I was not involved, correct.

8 Q You weren't involved in the employees being rehired by  
9 Ascension, Blue Ascension, right?

10 A Correct.

11 Q And are the employees working in the same space that  
12 they worked in before they left FSS?

13 A Yes. They would be in (indiscernible) --

14 THE COURT: Mr. Schwartz, I think something broke  
15 up. Can you repeat that answer?

16 THE WITNESS: They are working in the FSS  
17 warehouse.

18 THE COURT: Thank you.

19 BY MR. BRIMMAGE:

20 Q All right, and so Blue Ascension operates out of the  
21 FSS warehouse, right?

22 A Well, when they're working for us, they do.

23 Q Okay.

24 A Working for FSS, I mean.

25 Q Right. Same warehouse that FSS employees worked in

1 before Blue Ascension came on, right?

2 A And some FSS employees still work there.

3 Q Okay. Which warehouse is this?

4 A It's the one on Strassman.

5 Q Let me switch gears a little bit. You said you did  
6 some due diligence into Blue Ascension, right?

7 A I described what I did. Yes.

8 Q And I just want to make sure the timeframe of that was  
9 about the time of your meeting with Mr. Riley, right?

10 A It was after my meeting with Mr. Riley.

11 Q After the meeting with Mr. Riley. Okay, and your  
12 meeting with Mr. Riley was on July 18th, right?

13 A Correct.

14 Q Okay. So you didn't do any due diligence on Blue  
15 Ascension or Mr. Riley prior to that. I just want to make  
16 sure, right?

17 A No, other than asking who he was.

18 Q Okay.

19 A But (indiscernible) --

20 Q And I want to make sure we're clear on what your due  
21 diligence was. Your due diligence was you talked to Mr.  
22 Riley, right?

23 A Correct.

24 Q You talked to Mr. Jones, Alex Jones, right?

25 A Correct.



1 Q You ran a background check, right?

2 A Correct.

3 Q Anything else?

4 A Well, I mentioned I talked to Mr. Roddy.

5 Q Anything else?

6 A I may have spoken to Mr. Jones -- Dr. Jones, excuse me.

7 Q Okay. Anything else?

8 A I believe that was essentially it.

9 Q Okay. Just for the Court, who is Mr. Roddy?

10 A Blake Roddy is -- I believe he was the man in charge of  
11 inventory and purchasing.

12 Q For FSS?

13 A Yes.

14 Q Okay, and then the background check, what kind of  
15 background check did you do?

16 A I had a -- it's not a complete check. I did criminal  
17 and we did known associates, his employment history,  
18 location history, property ownership, liens, litigation.

19 Q Did you personally do this or you had someone do it?

20 A I personally did it. It didn't take five minutes.

21 Q Okay. So you spent five minutes on a background check  
22 and you personally did it, right?

23 A Correct.

24 Q Okay. All right. So (indiscernible) --

25 A Well (indiscernible) the report. But I read it. It

1 was a very extensive report.

2 Q All right. Let's go to -- you have seen the, is that  
3 right, the Blue Ascension article of formation documents.

4 Do I have that right?

5 A I have seen some things the secretary of state showing  
6 the registration and organization of the LLC. I've not seen  
7 any member agreements, (indiscernible) agreement or articles  
8 of association or organization, just the SOS filing.

9 Q All right. You haven't seen anything else other than  
10 the SOS filing, right?

11 A That's what I just said.

12 Q Did you ask for any other documents regarding Blue  
13 Ascension?

14 A No.

15 Q So part of your due diligence did not include for  
16 asking for those. Got it. Blue Ascension, do you know how  
17 to spell -- how it's spelled, ascension?

18 A Probably not because it's A-S-E-N -- I mean, it's S-T-  
19 I-O-N or not.

20 Q Okay, and when did you look at the SOS document?

21 A I don't recall.

22 Q Where did you get it?

23 A We probably pulled it down, I guess. I'm trying to  
24 think -- well, I don't remember. But I know we had it  
25 pulled down.

1 Q Did you personally do that or did someone give it to  
2 you?

3 A I did not do it. I had one of my staff would have  
4 given it to me. I didn't do that.

5 Q Well, I mean, let's be clear. Do you or do you not  
6 know, under oath, where you got the SOS formation document  
7 for Blue Ascension?

8 A Well, I've gotten several recently from various filings  
9 (indiscernible) but prior to that I don't know where I got  
10 the one I remember seeing.

11 Q All right. You saw it was formed in March of 2022?

12 A Correct.

13 Q All right. Any idea why it was formed when it was  
14 formed?

15 A That'd just be really conjecture on my part.

16 Q You don't know, right?

17 A (indiscernible) Alex Jones told me why it was  
18 (indiscernible) --

19 Q Okay. All right, and you have not done any due  
20 diligence into who might have an ownership interest in Blue  
21 Ascension, right?

22 A Other than, like I said, asking Mr. Riley and Mr. Jones  
23 and possibly Dr. Jones. But other than that, I've not  
24 looked at any books and records on ownership.

25 Q And you haven't asked for the organizational documents.

1 We just talked about that. So you don't know one way or  
2 another whether or not anybody other than Mr. Riley has an  
3 ownership interest in Blue Ascension, correct?

4 A I have no knowledge, personal knowledge of that.

5 Q All right. One way or another, right?

6 A I just said I have no personal knowledge of it.

7 Q Okay. You do know that Mr. Riley has a history with  
8 FSS, right? He was employed by FSS, right?

9 A Yes. I'm aware of that.

10 Q Yeah, and what kinds of jobs did he do for FSS?

11 A From what I understand, he worked in fulfillment with  
12 them for a number of years, in total up to six years. I  
13 know he -- well, I don't know. I've heard -- I know he  
14 trained, physically trained with Mr. Jones. I don't know if  
15 it was as a job or they liked to work out together.

16 Q All right. You say you understand he worked in  
17 fulfillment. Where is that understanding from, and do you  
18 know that for a fact?

19 A Again, I wasn't there then. So I don't have any  
20 personal knowledge of when he started work and when he left  
21 work employed by FSS. My understanding is based on what  
22 I've been told. I've been led to believe by Mr. Jones and I  
23 think something I saw in connection with this hearing.

24 Q Okay. You know he used to work out or maybe still does  
25 with Mr. Jones, right?

1 A Well, I heard that he worked out with Mr. Jones.

2 Q Okay. Do you know that he also did other errands for  
3 Mr. Jones?

4 A I don't know.

5 Q You don't know?

6 A No.

7 Q What was his title in -- what was his title in the  
8 fulfillment group when he was with FSS?

9 A I have no idea. I don't know what anyone's title is  
10 there.

11 Q What were his job responsibilities when you think he  
12 was in the fulfillment group at FSS?

13 A Well the document (indiscernible) I'm sorry.

14 Q I need to apologize. I think I gave you two questions.  
15 Let's start with what was his title in the fulfillment group  
16 for FSS.

17 A I don't know.

18 Q What were his responsibilities in the fulfillment group  
19 for FSS?

20 A My understanding is he managed fulfillment which would  
21 have been the same role in the process.

22 Q When you say your understanding, what's your  
23 understanding based on?

24 A From talking to him about his knowledge of fulfillment  
25 operations at FSS and the cost structure.

1 Q Okay, and did you see any documents that identified him  
2 actually doing any of those things at FSS?

3 A No. I have not seen any.

4 Q You didn't see any documents that identified him as  
5 actually having a title and working in the fulfillment  
6 services group, did you?

7 A Well, I haven't seen any documents that have titles for  
8 anybody except maybe Alex Jones. So it's very hard to find  
9 out what people's titles are, if they have any.

10 Q All right. You don't know for a fact that he even  
11 worked in the fulfillment services group, right?

12 A No. I've not researched if he actually was employed  
13 there.

14 Q Okay. Let's look at a couple of emails, if we could.

15 MR. BRIMMAGE: Your Honor, these are not those  
16 emails. These are these emails. So let's look at Exhibit  
17 2, if we could.

18 THE COURT: So --

19 MR. BRIMMAGE: And that would be -- I'm sorry.

20 THE COURT: Go ahead, Mr. Brimmage.

21 MR. BRIMMAGE: It's -- yeah, I'm messing up the  
22 title of them, Your Honor. It would be Document 60-2, which  
23 --

24 THE COURT: Okay.

25 MR. BRIMMAGE: -- should be -- have we found it?

1 and I want to make sure that you're looking straight here.  
2 Every time throughout the examination, Mr. Battaglia is  
3 going to ask you some questions. There might be some  
4 parties who object. I'm going to ask that you please give  
5 me an opportunity to resolve the objection and then I'll let  
6 you know if you can answer the question or if the attorneys  
7 need to ask another one, okay?

8 MR. RILEY: Yes, Your Honor.

9 THE COURT: Okay. Mr. Battaglia, you may proceed.

10 DIRECT EXAMINATION OF PATRICK RILEY

11 BY MR. BATTAGLIA:

12 Q Good afternoon, Mr. Riley. I'm Ray Battaglia. I  
13 represent Free Speech Systems. This is the first time the  
14 Court has heard or seen from you. Can you tell the judge a  
15 little bit about you?

16 A My name is Patrick Riley. I live in Austin, Texas, and  
17 I run and operate Blue Ascension Logistics, a third party  
18 logistics company.

19 Q And let's go back a little bit further. Tell the Court  
20 about your college and beyond education and work background.

21 A I went to the University of Texas. I studied  
22 kinesiology and business. I did the business foundations  
23 degree. It's essentially a business major. I worked for  
24 myself, self-employed, for a little over a decade running a  
25 personal training health and wellness company. In 2016, I

1 began work for Free Speech Systems as my employer.

2 Q So let's back up and talk about your prior -- the  
3 history of your relationship with Alex Jones. Can you give  
4 the Court a sense of when you met Alex, how you met him and  
5 what your relationship has been?

6 A Yes. I met Alex in 2014 (indiscernible) amongst my  
7 other clients. We developed a good working relationship.  
8 And he, in 2016, offered me a full-time job that I took the  
9 opportunity to come onboard.

10 Q So what were you originally brought onboard to do for  
11 Free Speech Systems?

12 A He wanted me to help him and his buyers maintain good  
13 health and be a beacon of wellness (indiscernible) rather  
14 and in addition to that he wanted me to come and just help  
15 organize and handle problems if they came up.

16 Q And did your role change from time to time with Free  
17 Speech Systems?

18 A I don't know if it was ever consistent at all. But  
19 yes, it's dramatically changed off and on. There's a big  
20 range of variability.

21 Q Can you describe for the Court the range of things that  
22 you did during your tenure at Free Speech Systems?

23 A It's a lot of just kind of communicating, you know,  
24 what he may have wanted, whether it be from one department  
25 to another or ensuring that a process got done. It could be



1 something, you know, on the personal side. It could be  
2 something on the work side. It could be telling somebody to  
3 change something that they did or to ensure that somebody  
4 got a project done. It changed dramatically in 2020 when  
5 our operations manager left. I assumed many more  
6 responsibilities at that time. But yeah, it varied over the  
7 five-plus, almost six years.

8 Q Can you describe for the Court what your relationship  
9 historically has been with PQPR? And you know who I'm  
10 talking about when I say PQPR?

11 A No. I don't.

12 Q PQPR Holdings, Limited.

13 A Oh, yes. PQPR. Yeah. Essentially it's a product  
14 company that supplies products for Free Speech Systems. And  
15 my involvement essentially was, you know, somewhat similar  
16 in the same regards of just facilitating --

17 Q Go ahead. I'm sorry. I didn't mean to cut you off.

18 A No. Go ahead.

19 Q Okay, and what about a prior relationship with David  
20 Jones. You know who Dr. David Jones is?

21 A Yeah. Same thing. I try to help him in his health and  
22 wellness capacity and, you know, similar to Alex.

23 Q Let's talk about your current relationships. Are you  
24 on Free Speech Systems' payroll?

25 A No. I felt Free Speech Systems in February of this

1 year.

2 Q Do you own any interest in Free Speech Systems?

3 A No.

4 Q What interest, if any, do you own in PQPR?

5 A None.

6 Q What interest do you own in any entity that you're  
7 aware is owned in whole or in part by Alex Jones?

8 A None.

9 Q What background do you have in fulfillment with Free  
10 Speech Systems?

11 A I was around, you know, when I was in a variable state  
12 of proximity to the warehouse. Originally the warehouse was  
13 by the production studio and then the late operations  
14 manager ended up moving it and expanding the capacity of the  
15 warehouse to provide larger abilities for fulfillment, just  
16 kind of ramping things up in regard of being robust. So  
17 kind of learning as it expanded and learning the processes.

18 Q And from time to time have you had a role in  
19 fulfillment, a direct role in fulfillment?

20 A Absolutely. From, you know, obtaining product from the  
21 fulfillment house to potentially handling whatever  
22 logistical integration issues to now managing my own 3PL.

23 Q That's a 3PL?

24 A Third-party logistics. It's essentially a company that  
25 can warehouse, store, receive, pick, pack and ship products

1 that are linked up to the back end of an e-commerce store.

2 Q What is Blue Ascension LLC?

3 A Blue Ascension is my company, my logistics company.

4 Q And as an LLC, it's owned by members. Who are the  
5 members of Blue Ascension LLC?

6 A I'm the sole member.

7 Q Who are the managers and/or officers of Blue Ascension  
8 LLC?

9 A I'm the only manager.

10 Q When was it formed?

11 A March of this year.

12 Q Why was it formed?

13 A Because there was a need for a fulfillment company to  
14 take over (indiscernible) and fulfillment of shipments and  
15 it was an opportunity to start a business.

16 Q What was the impetus for starting Blue Ascension?

17 A Free Speech Systems essentially getting out of the  
18 fulfillment business. It was not necessarily  
19 (indiscernible) efficiencies in place, and to my  
20 understanding it was something that they didn't want to do  
21 anymore.

22 Q What role did Alex Jones have in your formation and  
23 startup of Blue Ascension?

24 A He was willing to give me an opportunity to fulfill for  
25 Free Speech Systems.

1 Q Did Alex Jones or Free Speech Systems provide you with  
2 startup capital to form Blue Ascension?

3 A No. I provided my own.

4 Q Where did -- okay. So Blue Ascension, how many  
5 employees does it have?

6 A Currently we have 12 employees, including myself, and  
7 anywhere from two to four temporary employees. Currently we  
8 have two temps.

9 Q How many of those employees were formerly Free Speech  
10 Systems employees?

11 A The majority of employees, not all, but the majority of  
12 employees were Free Speech Systems employees.

13 Q And what experience generally do your topline employees  
14 at Blue Ascension have in the fulfillment arena?

15 A I mean, they're from the base floor of a pick packer  
16 which is someone who just picks things off of a line  
17 essentially and a packer that packs them into a box.  
18 There's an integration manager that essentially deals with  
19 the technical issues at hand, whether it be from the store  
20 side or from the warehouse management system side. We've  
21 got team leads that help people on the floor and essentially  
22 a daily manager or a floor manager as well.

23 Q And this is -- I want to be real clear about this and I  
24 want to talk about Blue Ascension's relationships with Alex.  
25 What interest does Alex Jones have in Blue Ascension?

1 A Zero.

2 Q What agreements, written, unwritten, handshake is there  
3 between you and/or Blue Ascension and Alex Jones to acquire  
4 any interest in Blue Ascension?

5 A There is none.

6 Q What contractual agreements do you or Blue Ascension  
7 have with Alex Jones?

8 A What contractual obligations? None, other than to  
9 fulfill for Free Speech Systems.

10 Q What compensation does Blue Ascension or you pay to  
11 Alex Jones?

12 A Zero.

13 Q If I were to ask you the same series of questions about  
14 PQPR, would your answers be different?

15 A No. They'd be the same. They have no interest. I  
16 have not taken any money.

17 Q How about Dr. David Jones? Would your answers be  
18 different?

19 A They would be the exact same.

20 Q How about any other Jones family member?

21 A No.

22 Q How many customers does Blue Ascension provide  
23 fulfillment services for?

24 A Seven or eight.

25 Q And what are your intentions about growth of the

1 business to additional customers?

2 A Since we started the company, we have been  
3 (indiscernible) trying to bring in and onboard new vendors  
4 to fulfill for. We've been doing personal outreach, you  
5 know, cold calls, knocking on people's doors, introducing  
6 ourselves, going to fairs, you know, working with the  
7 marketing team to try to specifically do some marketing in  
8 our efforts to obtain new clients.

9 Q Do you recall or can you tell the Court when it was  
10 that Blue Ascension started providing fulfillment services  
11 for FSS? And when I say FSS, you know I'm speaking about  
12 Free Speech Systems?

13 A Yes. Mid- to late July, sometime around there.

14 Q What options are available to Free Speech Systems to  
15 outsource fulfillment other than Blue Ascension?

16 A I don't think they're --

17 MR. BRIMMAGE: Your Honor, I'll object -- I'll  
18 object as it lacks foundation, calls for speculation. He  
19 doesn't work for FSS anymore.

20 THE COURT: Yeah.

21 MR. BATTAGLIA: He's involved in the fulfillment  
22 business, Your Honor, and he's actively pursuing clients and  
23 he is aware and has information regarding this.

24 THE COURT: I'll overrule it. We'll see where it  
25 goes.

1 A Well, he says stuff on air all the time about filing  
2 for bankruptcy and all kinds of things, so I'm not too sure.  
3 There's always that comment of, you know, he might need to  
4 do it.

5 Q Okay. So, when you left, you were aware that that was  
6 a possibility, right?

7 A Yeah, I think that was a (indiscernible) possibility  
8 for some period of time.

9 Q Had you had any direct conversations with Mr. Jones  
10 about FSS filing bankruptcy at the time you left?

11 A No, not really.

12 Q Okay. Now, you testified about your varying jobs and  
13 varying responsibilities over the years, correct?

14 A Yes.

15 Q What was your title when you were there?

16 A I had (indiscernible) different titles. I'm not too  
17 sure what, you know, my official title may have been. I was  
18 kind of just a loose manager of sorts, just to organize, but  
19 I was not under any department or anything like that.

20 Q Okay. So, if we looked at an org chart, would you be  
21 in the marketing department, would you know?

22 A No, I was more of a fitness, wellness manager more than  
23 any other form of manager.

24 Q All right. But you would agree with me we wouldn't  
25 find you in the fulfillment services department of FSS

1 before you left, right?

2 A You wouldn't find me in any department. Again, I was  
3 kind of an admin, to a certain degree.

4 Q Okay. Now, you said the operations manager left in  
5 2020. Do you remember that?

6 A Yes, I believe it was in the end of 2020.

7 Q Was that Mr. Fruze or Frood? I may not be saying it  
8 correctly.

9 A Yes.

10 Q All right. And was he replaced by Mr. Roddy?

11 A Again, I don't believe that he was necessarily  
12 replaced. I think it was an acquisition of  
13 responsibilities, kind of in a totality sense.

14 Q Was Mr. Roddy in charge of fulfilment services for FSS  
15 after Mr. Fruze left?

16 A I don't know if he was necessarily responsible for it.  
17 He was away of fulfilment and what fulfilment may have  
18 needed, but he was not managing fulfilment, to my  
19 understanding, or --

20 Q Who --

21 A -- service.

22 Q Who was managing fulfilment for FSS at the time you  
23 left?

24 A I mean, if you had to put somebody as a name in the  
25 position, it was Kelly Hebert.



1 Q Kelly Hebert?

2 A Yes.

3 Q All right. And did Kelly Hebert leave FSS and has now  
4 joined Blue Ascension?

5 A Yes.

6 Q Doing basically the same thing Kelly Hebert was doing  
7 before?

8 A Yes and no.

9 Q Okay. And all the employees that are currently at Blue  
10 Ascension were former FSS employees; is that right?

11 A No. Like I said earlier, the majority of employees  
12 were Free Speech Systems employees, but not all. We've had  
13 to add to the roster.

14 Q All right. I'm going to try to get you to walk me  
15 through this a little bit. Let's go from a timeline  
16 standpoint. You organized this entity in March of 2022,  
17 correct?

18 A I formed the company in March of 2022.

19 Q All right. The operations of this company are in the  
20 warehouse that FSS used to operate in its fulfilment  
21 services, correct?

22 A Correct.

23 Q And that's -- Blue Ascension has never operated  
24 fulfilment services in any other location, right?

25 A Correct.

1 Q All right. When did you start operating, Blue  
2 Ascension, that is, in the FSS warehouse?

3 A It was mid-May, when we first began to sell the  
4 services.

5 Q All right. But that wasn't for FSS at the time?

6 A Correct.

7 Q All right. Where did the employees come from for mid-  
8 May fulfilment services?

9 A I hired the former Free Speech Systems employees to  
10 work for Blue Ascension, initially as independent  
11 contractors, and then moved them to W-2 employees.

12 Q That's my next question. How did the employees get  
13 from FSS to Blue Ascension? Can you walk me through that  
14 process? When and how did that work?

15 A I offered them the job, and I told them that I was  
16 starting a fulfilment company to do true 3PL, which is, you  
17 know, third-party logistics, being able to fulfil for more  
18 than just Free Speech Systems.

19 Q Okay. So, did they quit FSS and came and joined you,  
20 or were they terminated by FSS, if you know?

21 A I don't know. I believe that they left Free Speech.  
22 I'm not for sure if they were terminated. I believe they  
23 were terminated.

24 Q Okay. And so, did you coordinate with FSS when this  
25 was going to happen and how it was going to happen?

1 A I don't know what you mean by coordinating.

2 Q Well, you didn't just walk into FSS's building and say,  
3 hey, I'm going to hire you guys, without communicating with  
4 FSS, did you?

5 A No, no, not at all. But as I said earlier, you know, I  
6 did have an opportunity to begin fulfilment services. There  
7 was essentially a plan to -- for me to hire who I needed to  
8 hire and take them, essentially, onto my payroll.

9 Q All right. Who did you coordinate that with, that  
10 plan?

11 A I spoke to -- I spoke to Alex a little bit about it,  
12 but I mean, I don't know if there was so much a dedicated  
13 plan as a, I think, you know, we can make this -- I can make  
14 a successful business out of this and I can bring you on as  
15 a vendor.

16 Q Okay. And so, you --

17 A A lot of us here that -- I'm so sorry.

18 Q Go ahead.

19 A No, go ahead. I apologize.

20 Q So you did speak to Alex Jones about this, right?

21 A I mean, yes, a little bit.

22 Q You wouldn't have taken over FSS's fulfilment services  
23 without Alex's -- Jones' blessing, right?

24 A Essentially.

25 Q Okay. So, when -- you transitioned the employees from

1 FSS to Blue Ascension in May. Is that what I understand?

2 A Yes. I started -- I started pay them as contractors.

3 Q When did you start fulfilling FSS orders?

4 A Free Speech System wasn't fulfilled until mid/late  
5 July, just recently.

6 Q Who fulfilled FSS Systems' orders after you took the  
7 employees over to Blue Ascension?

8 A They were still employees, Free Speech Systems'  
9 warehouse employees over there, like packers and such.

10 Q All right. How many employees did you -- well, how  
11 many employees were in FSS's fulfilment services at the time  
12 you took your first group?

13 A Not many. I mean, 10 or 12, possibly more.

14 Q How many did you take in May?

15 A (indiscernible).

16 Q How many did you take in May?

17 A I took my -- I took the original crew, minus,  
18 essentially everybody that we have now, back in May. So,  
19 everybody that came back in May -- there hasn't really been  
20 any Free Speech employees hired on after the first lot of  
21 Free Speech employees that were starting to be employed by  
22 Blue Ascension.

23 Q Okay. So, is it fair to say that between the time you  
24 started fulfilling Blue -- FSS inventory orders, nobody was  
25 fulfilling them in that interim gap because you had taken

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CERTIFICATION

I certify that the foregoing is a correct transcript from  
the electronic sound recording of the proceedings in the  
above-entitled matter.

A handwritten signature in black ink, reading "Sonya M. Ledanski Hyde". The signature is written in a cursive, flowing style. The first name "Sonya" is written in a larger, more prominent script, followed by the middle initial "M." and the last name "Ledanski Hyde". The signature is positioned on a light gray rectangular background.

Sonya Ledanski Hyde

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Date: August 19, 2022